

Screened By: Trainee Account Date: 03-10-2016 DOCID: 70002059

M E M O R A N D U M

TO: File - Hadron, Inc.

FROM: William L. McGrath

DATE: September 21, 1992

RE: Telephone Conversations with Peter Zokosky
and Chief Investigator Kurfman

I spoke this morning with Peter Zokosky. He asked me whether we had contacted anybody at the Riverside County District Attorney's office. I told him that Chuck Cooper and I had placed a call to the District Attorney, Grover Trask (714-275-5400). Chuck and I spoke with Trask's secretary, and left a message asking that he call us at his earliest convenience. We have not heard from anybody in the District Attorney's office. Zokosky told me that "the shit hit the fan." He got a phone call from his source in the District Attorney's office at 9:00 p.m. last (that is Sunday) night telling him that the office was panicked over the interest in the Riverside County District Attorney's office Special Operations Report referred to in the House Judiciary Committee's Report on INSLAW. He mentioned that Gilbert was apparently ready to be fired for his involvement. I asked Zokosky whether the District Attorney himself was involved in whatever scandal was developing. Zokosky told me that Trask was the one responsible for firing Officer Kinneally several years ago when Kinneally was investigating happening in the desert. In other words, Trask is intimately aware of and involved in the events giving rise to the false District Attorney's office report linking Dr. Brian with the Cabazon/Wackenhut enterprise. That, in any case, is Zokosky's belief. Zokosky told me that he placed a call to Kinneally this morning to find out what he knows about Trask and this false report.

When I told Chuck Cooper about my conversation with Zokosky, he instructed me to call the District Attorney's office to try to arrange a time when we can speak with District Attorney Trask. I did so, and was referred by the District Attorney's secretary to the Chief Investigator with the District Attorney's office. I then speak for several minutes to a gentlemen who identified himself as Chief Kurfman (spelling?) who is the Chief Investigator with the District Attorney's office. I explained to him that Chuck and I had left a message last week with the District Attorney, and that we had not heard back from him. I then explained

directly. Upon explaining the reasons for my call, Kurfman commented that a "whole host of people" have been calling recently about the report, with which he was intimately familiar. He said that the District Attorney's office's position at present is that they will not release any information relating to the report at this time. He said that they would only do so if they were served with a subpoena requiring them to release the file information relating to the report placing Dr. Earl Brian at the September 1981 weapons demonstration. I explained to him that of all people who might have an interest in that report, surely Dr. Brian's interest was most legitimate. He agreed, but reiterated that they would not release anything unless required to by court order. He further volunteered that he had not yet had an opportunity to discuss the matter with their attorneys, and would not say anything more until they had done so. I asked him if he is familiar with the report, and he said that he was. I asked him if in fact the report was an official report of their office; he said that in fact it was an "informational report" but that yes, the office stands by it. He would not identify the reporting officer whose number appears on the front of the report. I told him that Chuck Cooper and I would like to speak with him further about this matter, and he suggested simply that we call him anything during business hours at (714) 275-5684. X

It was clear from my conversation with Chief Kurfman that the report and any mention of it strikes a nerve with him. One gets the definite sense that they have not yet figured out how to handle the emerging scandal regarding the false report emanating from their office. I am confident, however, that we can get more out of him simply by turning up the heat; it will not be necessary, in other words, to get a court order to get him to tell us more about the report.

After speaking with Chief Kurfman, I called Zokosky again to complete our earlier conversation. I told him of my conversation with Kurfman, and he simply repeated that it was clear something was going on in the District Attorney's office. He then said that we could use his name in the course of our discussion with Chief Kurfman and the others as someone who was willing to swear that Dr. Brian was not at the weapons demonstration. Zokosky, of course, wants us to protect his source, whose name we do not know. Beyond that, however, Zokosky is willing to cooperate with us in any way as we track down the source of these lies. He again pledged his willingness to sign an affidavit relating both to his recollection of the weapons demonstration and his involvement with the House Judiciary Committee's investigators.

0052:124wlm.92

M E M O R A N D U M

TO: File - Hadron, Inc.

FROM: William L. McGrath

DATE: September 21, 1992

RE: Telephone Conversations with Pete Zokosky

At the suggestion of Village Voice reporter Doug Vaughan, Chuck Cooper and I called Peter Zokosky on September 16, 1992. Zokosky's phone number is (310) 434-4883; he lives in Long Beach, California. As Vaughan suggested, Zokosky possesses a wealth of information about the Cabazon/Wackenhut allegations.

Most importantly, Zokosky has stated repeated and unequivocally, that Dr. Earl Brian was not present at the September 10, 1981, weapons demonstration. Zokosky himself was at the weapons demonstration, and, in fact, he was the one who arranged for the demonstration. To the best of his knowledge, he has never met Dr. Brian, and he has seen him only in a picture accompanying a news story about the INSLAW affair. Zokosky is convinced both that the Riverside County District Attorney's report is a total fabrication, and that the source of that report is Michael Riconosciuto.

Zokosky was hired by the Cabazon Indian Tribe to serve as an advisor in the Tribe's joint venture to develop weapons with the Wackenhut Corporation. Zokosky says the Cabazon Tribe, under the direction of Dr. John Nichols, got involved in weapons development as a means of raising funds for the Tribe. The theory behind the joint venture between the Cabazon Tribe and Wackenhut was that the Cabazon's, as a sovereign territory, could provide the secrecy necessary to develop weapon systems, while Wackenhut could provide both a source of capital and the expertise in weapons development in covert operations for which the Corporation is well known. Zokosky began working with the joint venture in 1981, and in fact was responsible for putting together the proposal which led ultimately to the weapons demonstration in September 1981. In the first half of 1981, Zokosky, Dr. Nichols, Bob Frye of the Wackenhut Corporation, and several others made a number of trips throughout the United States and Canada in furtherance of the joint venture. Ultimately, the joint venture

continues

sniper rifles. The night vision scope was to be developed on the Cabazon Reservation and sent to the Cantors fighting against the Sandiness Government in Nicaragua. Zokosky believes that a man named Raul Aranna, who had connections with the Contras, was the person responsible for funding the contract.

Working with officials of the Nitton Industries Corporation, the night vision scope was developed, and a demonstration for the product was arranged for September 10, 1981. The demonstration was originally scheduled to take place on the Cabazon Reservation, but for security reasons it was moved to a police firing range. Zokosky says that the rifle had a range of up to 2 miles, and that testing such a weapon on the flat Cabazon Reservation posed unacceptable security risks. Accordingly, Zokosky, working through his friend Phil Hawes, who is the City Manager of Indio, California, Zokosky arranged for the demonstration to take place on the police range. *

To put this weapons demonstration in context, it is necessary to discuss briefly Michael Riconosciuto's allegations about Dr. Brian's connection with the Wackenhut/Cabazon joint venture. Riconosciuto submitted an affidavit sworn to on March 21, 1991, to the bankruptcy court in the INSLAW proceeding in Washington, D.C. In his affidavit, Riconosciuto alleges that he, working for the Wackenhut/Cabazon joint venture, received a copy of the PROMIS software program from Dr. Brian. Riconosciuto alleges that he was responsible for modifying the PROMIS software program so that Dr. Brian could distribute it to intelligence agencies worldwide. Riconosciuto further alleged that Dr. Brian was a frequent visitor to the Cabazon Indian Reservation. In the course of discussing these allegation, the Judiciary Committee's INSLAW Report notes that the Committee received information linking Dr. Brian to Wackenhut and Cabazon, contrary to his testimony that he had never heard of the joint venture. As support for the inference that Dr. Brian had in fact heard of the joint venture, the Committee points in footnote 222 on page 72 of the Report to a Riverside County District Attorney's Office Special Operations Report, dated October 10, 1991, which purports to place Dr. Brian at the September 10, 1981, weapons demonstration at Lake Cahuilla gun range in Indio, California. This is the weapons demonstration that Zokosky arranged. *

Dr. Brian has, of course, sworn that he had never heard of the Wackenhut/Cabazon enterprise until reading about in Riconosciuto's affidavit. By implication, he has sworn that he was not present at the September 10, 1981, weapons demonstration. The Riverside County District Attorney's Office Special Operations Report, however, clearly places Dr. Brian at that demonstration. The report, a copy of which was provided to us by Pete Zokosky, is entitled "Nigerians and Earl Brian At Lake Cahuilla -

09/10/81." The report is dated 10/10/91, and the reporting officer box on the front page of the report contains the number 9500-91-008. The Report consists essentially of a list of the "people present" at the Lake Cahuilla gun range on September 10, 1981. According to the report, there were over 20 people present including representatives from the Cabazon Tribe, the Wackenhut Corporation, the Nigerian Contra Leadership, the Indio Police Department, the U.S. Military and CIA, and Earl Brian. The report lists Peter Zokosky as one of the people present at the demonstration. The report further indicates that Earl Brian arrived with a gentlemen named Wayne Reeder in a 1981 white Rolls Royce with Oklahoma license plate number 2XG 2302. ✓

Again, Zokosky is certain that Dr. Brian was not present at the September 10, 1981, weapons demonstration. As demonstrated by the Judiciary Committee's report, however, the existence of a law enforcement report placing Dr. Brian at the demonstration lends credence to the allegation that Dr. Brian both was at the demonstration, and was familiar with and worked with the Cabazon/Wackenhut enterprise. Zokosky is further certain in his belief that Michael Riconosciuto is responsible for the false police report.

Zokosky provided us with a copy of another Riverside County Special Operations Report, this one also dated October 10, 1991, but the reporting officer is listed as 9500-91-009. This report is called "Interview With Michael Riconosciuto - 09/17/91." The report begins: "The following is an interview with Michael Riconosciuto on 09/16/91 at Pierce County Jail, located in Tacoma, Washington." The report, which is slightly longer than 1 1/2 pages, contains 15 separate entries, all purporting to describe the activities of the cabazon/Wackenhut joint venture. It does not specifically refer to the September 10, 1981, weapons test, nor does it mention Dr. Brian's name. It does, however, discuss the joint venture's involvement in weapons development. Zokosky (who is mentioned in the report) believes that the interview with Riconosciuto upon which this report is based also provides the basis for the report, discussed above, placing Dr. Brian at the September 10, 1981, weapons demonstration. In support of this belief, Zokosky points to the obvious similarities between the two reports, including the date on which they were typed, the fact that both reports note that the subject's name is the "Cabazon Indians," and the fact that the file number and clerk's initials are the same on both reports. Most importantly, however, Zokosky says that there are facts contained in the report placing Dr. Brian at the demonstration that only Michael Riconosciuto could have related to the Riverside County District Attorney's office. [Contrary to the report's indication, Zokosky says that he and Wayne Reeder drove to the demonstration together in Zokosky's Volkswagen.] Zokosky has highlighted five facts * * *

about the Riverside County report that are especially curious.

(1) Why, Zokosky asks, is the report entitled "Nigerians and Earl Brian at Lake Cahuilla"? The report lists some 20 people who were present, yet the title names only Earl Brian. Zokosky reasonably concludes that this report was written for the purpose of associating Dr. Brian with the Wackenhut/Cabazon enterprise. (2) Both this report and the report of the interview with Riconosciuto are dated October 10, 1991. Likewise, the file number on both reports is the same. (3) Zokosky notes again that Wayne Reeder arrived to the demonstration in Zokosky's car. (4) Scott Wesley, who is listed in the report as being present at the demonstration, was, Zokosky says, absolutely not there. Zokosky further notes that only Riconosciuto would be in a position to know Wesley and to relate his name to the investigators. (5) Similarly, the report mentions a company named Meridian Arms. This company, which did not exist by that name until 1985, was co-owned by Riconosciuto and Robert Booth Nichols; Zokosky believes that only Riconosciuto would have referred to the company in conversation with the investigators.

In addition to these particular observations on the Riverside County reports, Zokosky has told us much about the more general happenings out, as he puts it, in the "desert." Suffice it to say that the Cabazon Indian Tribe has been a fertile source of nefarious dealings of the highest order. Most prominently, Dr. John Nichols, former leader of the Cabazon Tribe, was arrested in 1985 for a conspiracy to commit murder. Moreover, in 1984, a tribal leader named Alvarez and 2 of his friends were murdered on the Reservation. The Riverside County Police Department and District Attorney's office were involved in investigating those murders. No arrests have been made regarding them to this date. Zokosky told us that an Officer Gilbert, whom he believes works for the Riverside District Attorney's Office or Police Department, was investigating the murders in the desert. So, too, was a person named Pat Kinneally (spelling?) was investigating the murders in the desert, when he was abruptly pulled off the case, demoted to juvenile duty, and ultimately quit the force and moved to the Midwest for fear of his life. Zokosky claims to have a source in the Riverside County District Attorney's office, which source provided him with the reports and keeps him updated on the happenings related to the desert. Zokosky personally believes that the FBI was responsible for shutting down Kinneally in Riverside, and told us he believes Kinneally was a "honest cop." He did not get specific about his allegations as to the FBI's involvement. Zokosky also knows Michael Riconosciuto quite well. Zokosky believes that Riconosciuto is a first rate liar whose intense penchant for fabrication is matched only by his ability to spin persuasive tails out of nothing. Zokosky further believes that Riconosciuto has been doing and manufacturing narcotics for a long time, and that he has remained out of jail only

by serving as an informant for the government for many years. Riconosciuto, of course, is now in jail, and Zokosky believes that it is due only to the fact that a prosecutor finally came along who focused only on Riconosciuto's own wrongdoing. Zokosky knows and was in contact with both Bill Hamilton, President of INSLAW, and Danny Casolaro, the investigative journalist who was found dead in his hotel room in August of 1991. Zokosky was talking to these people and cooperating with them until he discovered that they in turn were relying upon the testimony of Michael Riconosciuto. Zokosky has such disrespect for Riconosciuto that he lost respect for Hamilton and Casolaro as soon as he found out that they relied upon Riconosciuto.

Zokosky also highlighted the fact that the Judiciary Committee report notes that the FBI permitted a Special Agent, Thomas Gates, to testify before the Committee, for the very first time. Apparently, it is rare for an FBI Agent to testify before a congressional committee about an investigation. Zokosky believes it is peculiar that they chose to make an exception for Agent Gates. Robert Booth Nichols, a friend and associate of Zokosky's, has sued Agent Gates; Nichols alleges that Gates, acting outside of his official duties, told intelligence sources throughout the world that Nichols was a felon, a thief, and should not be trusted. Zokosky volunteered his opinion that Gates is a liar of the first order. Zokosky believes that Gates and Riconosciuto are somehow allied in this matter. Zokosky is willing to swear in an affidavit that Dr. Brian was not at the weapons demonstration. He is further willing to provide details in an affidavit concerning his contact with the House Judiciary Committee investigators. Specifically, Zokosky contacted Ned Frieze, an investigator with the House Judiciary Committee, sometime in the last year or so. Zokosky told Frieze that he knew details about the Riverside County arms demonstration, and that he was willing to talk to the Committee investigators about it. At the time Zokosky contacted him, Frieze was in Southern California. After initially expressing interest in receiving Zokosky's testimony, Frieze asked whether Earl Brian was, to Zokosky's knowledge, even in the desert. When Zokosky told him no, Frieze ended the conversation and said he would contact Zokosky to arrange for him to testify. Zokosky never again heard from Frieze or any other member of the Judiciary Committee's investigative staff. Zokosky called Frieze some three months later, but never heard back.

0134:125wlm.92

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/9/92

PETER ZOKOSKY, 3132 5th Avenue, Long Beach, California, telephone number 310/434-4883, was interviewed at his residence concerning his association with the CABAZON INDIANS during the testing of night vision goggles. Also present was Assistant United States Attorney (AUSA) DAVID ROSENBLOOM.

ZOKOSKY advised that he came to southern California in the early 1950s to work in the space industry. In 1968 to 1975, he was a president of a company called ARMTEC, located at Coachella, California. From 1975 until November, 1981, he was a consultant for ARMTEC. ARMTEC manufactured the combustible cartridges for the 120mm round used in military tanks. ARMTEC operated under a DEPARTMENT OF DEFENSE contract.

In 1979 or 1980, ZOKOSKY first met Dr. JOHN PHILIP NICHOLS, Sr. and his son, JOHN PAUL NICHOLS, Jr. NICHOLS, Sr. was the manager for the CABAZON INDIAN BAND. ART WILMAS was the Tribal President. ZOKOSKY met NICHOLS through FRED ALVEREZ who is a Cabazon Indian. ALVEREZ told ZOKOSKY that he was concerned about the gambling taking place on the Reservation and the danger of Organized Crime controlling this gambling operation.

ZOKOSKY stated that the U.S. Government had a single source of combustible cartridges supplied by ARMTEC. NICHOLS, Sr. mentioned to him that the CABAZON BAND was attempting to get into the manufacturing of military items. ZOKOSKY put forward the idea of providing a second source of these combustible cartridges manufactured by the CABAZON INDIANS on their Reservation. The following week NICHOLS, Sr. told ZOKOSKY of a joint venture between the CABAZONS and WACKENHUT INCORPORATED to produce military hardware. Later, NICHOLS, Sr. introduced BOB FRYE of WACKENHUT to ZOKOSKY. ZOKOSKY believes the time period was early 1981.

In May 1981, ZOKOSKY, FRYE, and NICHOLS, Sr. traveled to the Pickitunny Arsenal in New Jersey for the purpose of determining if the military was interested in a second source of

Investigation on 10/5/92 at Long Beach, CA. File # 74-86438

NW: 15457 DocId: 70002059 Page 8
by SA CHARLES M. PETERS:kf Date dictated 10/6/92

74-86438

Continuation of FD-302 of PETER ZOKOSKY, On 10/5/92, Page 3

In September, 1981, NICHOLS, Sr. told ZOKOSKY that when we have people coming in to see a demonstration of the night vision goggles and a fire demonstration. This demonstration was to take place on the CABAZON Reservation. ZOKOSKY thought that the INDIO POLICE DEPARTMENT RANGE would be better and ZOKOSKY then contacted PHIL HAWES, who was the INDIO CITY Manager to see if they could use this range. ZOKOSKY stated he thought of asking permission from SAM CROSS, the Chief of Police of INDIO, but CROSS and the CABAZONS were not on the best of terms.

On the night of the demonstration, ZOKOSKY picked up WAYNE REEDER and took him to the range. REEDER was a developer and was asked to come because if the production of these items were to commence REEDER was going to build a plant and provide some capital. ZOKOSKY drove REEDER in ZOKOSKY's Volkswagon. ZOKOSKY stated that REEDER does own a Rolls Royce automobile.

ZOKOSKY stated that the following individuals were present at the demonstration:

WAYNE REEDER
JIM HUGHES
JOHN NICHOLS, SR.
JOHN NICHOLS, JR.
MICHAEL RICONOSIUTO
PHIL HAWES
BERL BARBER
Three Spanish speaking males
Mr. VANDERWORKER and two or three
unidentified males

ZOKOSKY stated that HUGHES acted as the interpreter for the three Hispanics who were described as the customers. BARBER was with RICONOSIUTO and believes that RICONOSIUTO and BARBER were going to set up a company to produce the night vision goggles. The demonstration lasted from two to three hours. ZOKOSKY did not see any automatic weapons at this demonstration.

ZOKOSKY stated that he knew what EARL BRIAN looks like and that BRIAN was not at this demonstration. ZOKOSKY stated that he has never seen BRIAN with NICHOLS, RICONOSIUTO, or anyone else associated with the CABAZON INDIANS. ZOKOSKY stated that he has met RAUL ARANNA at NICHOLS, SR.'s office on one occasion and

74-86438

Continuation of FD-302 of PETER ZOKOSKY, On 10/5/92, Page 3

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Continuation of FD-302 of PETER ZOKOSKY, On 10/5/92, Page 4

does not recall seeing ARANNA at the demonstration. ZOKOSKY also stated that SCOTT WESTLEY was not at this demonstration.

ZOKOSKY stated that REEDER never gave HUGHES \$200,000.00 to \$250,000.00 but did give ZOKOSKY \$4,000.00 who gave this money to HUGHES per REEDER's request.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription

12/9/92

ART WILMAS, 7 Cabazon Lane, Coachella, California, telephone number 619/398-0915, was contacted regarding his association with the CABAZON INDIAN BAND and MICHAEL RICONOSIUTO. Also present was Assistant United States Attorney (AUSA) DAVID ROSENBLOOM.

WILMAS stated that in 1981 he was the Tribal Chairman of the CABAZON INDIAN BAND. Dr. NICHOLS was the Tribal Administrator and maintained an office on the reservation. JIM HUGHES was a security man paid from Tribal funds and provided security for the casino located on the Reservation. WILMAS stated that the reservation consisted only of the casino and the small trailer used as offices. WILMAS only saw RICONOSIUTO on one occasion and that was at the trailer. WILMAS never saw any computers on the Reservation except for small personal computers used by the Tribe. WILMAS stated he never met nor saw EARL BRIAN and does not know who he is. NICHOLS told WILMAS that RICONOSIUTO was a computer expert.

WILMAS was questioned about the demonstration conducted at the INDIO POLICE DEPARTMENT RANGE on September 10, 1981. WILMAS stated that he was present during this demonstration. Also present was WAYNE REEDER, NICHOLS, Sr., PHIL HAWES, and people that NICHOLS said were from Honduras. WILMAS does not know if SAM CROSS, RICONOSIUTO, SCOTT WESTLEY, VANDERWORKER, RAUL ARANNA, or EARL BRIAN were present. WILMAS has never met BRIAN, WESTLEY, ARANNA, or VANDERWORKER. WILMAS explained that there were a few people at the demonstration that were not introduced to him and therefore he does not know their identity. NICHOLS did talk of RAUL ARANNA but has never met him.

WILMAS stated that approval to produce these weapons were never approved and therefore no further effort was used to produce these weapons.

Investigation on 10/6/92 at Coachella, California File # 74-86438

NW: 15457 DocId: 70002059 Page 12
by SA CHARLES M. PETERS:kf

Date dictated 10/6/92

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/9/92

ELMA WILMAS, 7 Cabazon Lane, Coachella, California, telephone number 619/398-0915, was contacted in the presence of her husband, ART WILMAS, and Assistant United States Attorney (AUSA) DAVID ROSENBLOOM.

WILMAS advised that she is the wife of ART WILMAS and she was employed in the Tribal Office of the CABAZON INDIANS during 1981. She stated that the only computers on their Reservation were some Apple Personal Computers which were brought in by Dr. NICHOLS. She never saw any computers other than the small personal computers on the Reservation or anywhere else.

Investigation on 10/6/92 at Coachella, California File # 74-86438

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by SA CHARLES M. PETERS:kf

Date dictated 10/6/92

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/28/92

SCOTT WESTLEY, PICITTINNEY ARSENAL, New Jersey, telephone number (201) 724-3988, was telephonically contacted concerning his knowledge of MICHAEL RICCONOSUITO. WESTLEY stated that he has never heard of RICCONOSUITO before. WESTLEY knows PETER ZOKOSKY who use to be the owner of ARMTECH, a munitions manufacturer. ZOKOSKY, BOB FRYE, and JOHN NICHOLS came to PICITTINNEY and met with him to discuss the manufacturing of combustibile cartridges on the Cabazon Indian Reservation. WESTLEY stated that he had never been to the Cabazon Indian Reservation and has no knowledge of a firearms demonstration conducted on September 10, 1981.

Investigation on 11/9/92 at Tinley Park, Il. File # 74-86438

NW: 15457 DocId: 70002059 Page 14

by SA CHARLES M. PETERS/nrj Date dictated 11/12/92

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/9/92

WAYNE REEDER, CEO, REEDER COMPANY, 2800 28th Street, room 222, Santa Monica, California, telephone 213/450-9696, was interviewed at the office of his attorney, RON SILVERMAN. Also present was Assistant United States Attorney (AUSA) DAVE ROSENBLUM.

REEDER stated that he has never heard of INSLAW or of PROMIS. He has never met EARL BRIAN or MIKE RICONOSIUTO.

REEDER was asked about a demonstration conducted on September 10, 1981, at the INDIO, CALIFORNIA, POLICE DEPARTMENT RANGE. REEDER was asked to attend this demonstration by PHIL HAWES because HAWES wanted REEDER to provide capital and because REEDER had built the casino on the CABAZON INDIAN RESERVATION at Indio. He was not that interested in attending the demonstration because he was to meet a woman friend later that evening. REEDER stated that he did attend this demonstration and he drove by himself to this demonstration in his Rolls Royce. Upon reaching the range, an Indio police officer asked him for identification and REEDER noticed that all attendees had to identify themselves. It was REEDER's belief that this demonstration was sanctioned by the U.S. Government and for this reason he believes that some government employees were present.

REEDER stated he arrived around dark and stayed for about 30 minutes. He left by himself. He did meet someone from WACKENHUT at the demonstration but could not recall the man's name. He knew that PETER ZOKOSKY was trying to put something together between the CABAZON INDIANS and WACKENHUT. REEDER had also met BOB FRYE from WACKENHUT but not at this demonstration.

REEDER advised that the INDIO POLICE DEPARTMENT provided the security during this demonstration. Present at the demonstration was HAWES, ZOKOSKY, and about six South Americans who he did not know. He does not recall if SAM CROSS or JIM HUGHES were present.

Investigation on 10/5/92 at Los Angeles, CA. File # 74-86438

NW: 15457 DocId: 70002059 Page 15
by SA CHARLES M. PETERS:kf Date dictated 10/5/92

74-86438

Continuation of FD-302 of WAYNE REEDER, On 10/5/92, Page 2

HUGHES was the Chief of Security for the CABAZON INDIANS and he met HUGHES through Dr. NICHOLS. HUGHES wanted to head up the security for REEDER but REEDER declined. REEDER described HUGHES as a "Rambo type", walking around town and the CABAZON CASINO in camouflage fatigues. REEDER received a percentage of the profits derived from the casino. He received these monies because of an agreement when he built the casino for the CABAZON INDIANS. HUGHES told him that the Indians were skimming profits from the casino. REEDER did not care about this and believed HUGHES then looked bad in front of the Indians because he reported this theft to REEDER. HUGHES threatened to kill REEDER over this. REEDER denies paying HUGHES \$200,000.00 to leave the country. He had paid HUGHES a small sum of money for work performed on REEDER's behalf.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/28/92

GENE GILBERT, Investigator, RIVERSIDE DISTRICT ATTORNEY'S OFFICE, 4075 Main Street, Riverside, California, telephone number (714) 275-5684, was interviewed concerning his reports, both dated October 10, 1991. Also present during this interview was Chief Investigator MICHAEL KURFMAN of the RIVERSIDE DISTRICT ATTORNEY'S OFFICE and Assistant United States Attorney (AUSA) DAVE ROSENBLOOM.

GILBERT advised that he was investigating the murder of an Indian named FRED ALVEREZ in 1991 when he came in contact with MIKE RICONOSIUTO. RICONOSIUTO was in prison at Springfield, Missouri, and GILBERT traveled to Missouri to interview RICONOSIUTO. RICONOSIUTO was interviewed on two occasions by GILBERT, once in the prison at Springfield, Missouri, and another in a prison at Spokane, Washington.

GILBERT was shown a copy of report entitled "Nicaraguans and Earl Brian at Lake Cahuilla-9/10/81".

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GILBERT was asked to explain why the name EARL BRIAN appears in the title of this report. GILBERT responded that this name was new to the investigation. It was then pointed out that most of the names contained in this report were new to his investigation. GILBERT could not explain why he chose the name EARL BRIAN to be in the title.

GILBERT stated that he showed Sergeant BAIRD a photograph of EARL BRIAN. This consisted of only one photograph which he obtained from a newspaper clipping. GILBERT claims that BAIRD told him that he was 95 percent sure that the person in the photo was at the firearms demonstration on September 10, 1981, and arrived at this demonstration with WAYNE REEDER.

Investigation on 10/7/92 at Riverside, CA. File # 74-86438

NW: 15457 DocId: 70002059 Page 17

by SA CHARLES M. PETERS/nri

Date dictated _____

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GILBERT was asked to explain the notation on the report which stated Validity One, Reliability B. GILBERT explained that Validity One means that the events likely happened and Reliability B means that events are not proven. GILBERT further stated that when RICONOSIUTO was interviewed by him, RICONOSIUTO emphasized the fact that BRIAN was at this firearms demonstration. GILBERT stated that if he was aware that the name of EARL BRIAN would cause so much publicity, he would not have included this in his report.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/11/92

ROBERT FRYE, Vice President, WACHENHUT INCORPORATED, 1500 San Remo Avenue, Coral Gables, Florida, telephone 305/666-5656, home telephone number 305/233-9177, was interviewed concerning the joint venture between WACHENHUT and the CABAZON INDIANS. Also present was Assistant United States Attorney (AUSA) DAVID ROSENBLOOM.

FRYE stated that MIKE RICONOSIUTO was never employed by WACKENHUT in any capacity. The first time he met RICONOSIUTO was in May, 1981, at the PICITINNEY ARSENAL in New Jersey. RICONOSIUTO was with PETER ZOKOSKY and JOHN NICHOLS. RICONOSIUTO was described to him as an expert in technical matter such as the rail gun. At the PICITINNEY ARSENAL, this group met with Dr. HARRY FAIN. FAIN thought RICONOSIUTO to be knowledgeable in the state of art concerning the technology of the rail gun.

FRYE stated that WACHENHUT was attempting to secure additional government security contracts. WACKENHUT was contacted by NICHOLS who was the Tribal Manager of the CABAZON INDIANS. NICHOLS had also sent feelers out to PINKERTON and BURNS SECURITY COMPANIES. NICHOLS wanted to know if WACHENHUT wished to enter into a joint venture with the CABAZON INDIANS to obtain government security contracts. FRYE believed that with the CABAZONS in a joint venture, they would be able to bid and obtain contracts which were set aside for minority businesses. FRYE advised that ZOKOSKY was the former president of ARMTECH. ARMTECH was the single source provider of combustible cartridges to the military. ZOKOSKY suggested that WACKENHUT join with the CABAZONS to become a second source supplier of these combustible cartridges. FRYE, ZOKOSKY and NICHOLS traveled to PICITINNEY ARSENAL to determine if the military was interested in the plan. The military was not interested and that part of the joint venture was not pursued.

FRYE stated he traveled to southern California on 15 to 20 occasions during the period 1981 through 1983. The purpose of these trips was to visit with NICHOLS and negotiate and

Investigation on 11/19/92 at Coral Gables, Florida File # 74-86438

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by SA CHARLES M. PETERS:kf

Date dictated 11/19/92

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Continuation of FD-302 of ROBERT FRYE, On 11/19/92, Page 2

investigate joint venture possibilities with the CABAZON INDIANS. On one of these visits, the purchase of the VALLEY FIELD AMMUNITIONS was discussed. VALLEY FIELD was a private manufacturer of military armaments in Canada. VALLEY FIELD was in bankruptcy and attempts were made by WACKENHUT and the CABAZON INDIANS to purchase this plant. FRYE stated that the Canadian government did not approve this purchase.

On his visits to see NICHOLS, FRYE also saw RICONOSIUTO two or three times. NICHOLS was providing therapy treatment to RICONOSIUTO's wife. NICHOLS told FRYE that RICONOSIUTO was the sound man for JANIS JOPLIN, flew drugs between Mexico and California in a wooden aircraft to avoid radar, and stabbed a DEA Agent who had been sleeping with his wife. FRYE stated that he did not believe all that NICHOLS said about RICONOSIUTO. FRYE also toured the Indian Reservation and stated that he did not ever see any computers.

FRYE stated that NICHOLS also brought in an individual named VANDERWORKER who was the head of a security company in California. VANDERWORKER had expertise in high tech electronics and had the exclusive rights to purchase night vision goggles from LITTON INDUSTRIES. NICHOLS suggested that WACKENHUT and the CABAZON INDIANS could sell 300 night vision goggles to the Nicaraguan government. WACKENHUT would have to apply for an export license as each sale had to be approved by the government. NICHOLS believed that the CABAZONS had sovereignty from the U.S. Government and therefore no export license was needed.

FRYE began looking into the plans to purchase and then sell these goggles from LITTON INDUSTRIES. He traveled to LITTON INDUSTRIES with ZOKOSKY, RICONOSIUTO, and VANDERWORKER. There he learned that LITTON would sell second generation night vision goggles and binoculars for \$6,500.00 each. It was decided that these items could be resold to foreign governments for \$9,400.00 each. Later NICHOLS advised FRYE that there would be a demonstration of these night vision goggles in the California Desert. There would be customers from Guatemala present and it was also possible to have some weapons demonstrated. FRYE was not present for the demonstration but was later told by NICHOLS that RICONOSIUTO had removed the price tags from the night vision goggles prior to the Guatemalan representatives seeing them.

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Continuation of FD-302 of ROBERT FRYE, On 11/19/92, Page 3

FRYE advised that WACHENHUT did not enter into any contracts to sell this equipment. It did enter into a joint venture with the CABAZON INDIANS to establish a security company. No contracts ever resulted from this joint venture. FRYE stated that he does not know EARL BRIAN and has never met or seen him. FRYE was shown an inter-office memo dated September 10, 1981, from FRYE to BOB CHASEN. In this memo FRYE mentioned that he talked to SCOTT WESTLEY on the evening of September 9, 1981. FRYE stated that the only place he called WESTLEY was at the Picitinney arsenal.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/10/92

SAM CROSS, 81474 Francis, Indio, California, telephone 619/347-1116, was interviewed concerning the firearms demonstration conducted at the INDIO POLICE DEPARTMENT FIRING RANGE on September 10, 1981.

CROSS advised that in 1981 he was Chief of Police for the INDIO POLICE DEPARTMENT. He had heard that PETER SOKOSKY was going to either distribute or manufacture night vision goggles and rifle scopes. SOKOSKY was going to be working with JOHN NICHOLS for the benefit of the CABAZON INDIANS.

PHIL HAWES, the Indio City Manager, came to him and told him that he was contacted by SOKOSKY and NICHOLS who wanted to put on a firearms demonstration. CROSS stated that he and HAWES did not trust NICHOLS. CROSS suspected that NICHOLS was going to be involved with illegal automatic weapons and therefore decided to have police officers attend this firearms demonstration. CROSS stated that he assigned four or five officers to this detail. CROSS instructed his officers to remain off of the range but to observe all that was going on at the range. The firearms demonstration was to be conducted during darkness. If automatic weapons were present, these officers were expected to arrest NICHOLS. CROSS stated that he did not attend this firearms demonstration as he was involved in other police activities within Indio. Because he was not at that firearms demonstration, he has no idea who was present. CROSS stated that Sergeant BAIRD of his department had obtained the license plate numbers of the cars which attended this firearms demonstration. CROSS stated that he has never heard the name EARL BRIAN until he heard this name on CNN in 1991.

CROSS stated that he first met MIKE RICONOSUITO when PETER SOKOSKY asked him to come to his home to meet RICONOSUITO. At this meeting which occurred in mid to late 1984, RICONOSUITO talked about the murder of FRED ALVEREZ. CROSS stated that RICONOSUITO believed that JOHN NICHOLS, Sr. was involved in this murder and that there would be additional murders in the future.

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RICONOSUITO further stated that these murders would involve drugs.

CROSS stated that after RICONOSUITO had been indicated on drug charges, he was contacted by a friend of his, TED GUNDERSON, who asked CROSS to write a letter on RICONOSUITO's behalf to the judge. CROSS advised that he had met RICONOSUITO on only one occasion but did write a letter to the judge stating that RICONOSUITO provided information regarding the murder of ALVEREZ.

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 1/5/93

BOB CHASEN, former Vice President, WACKENHUT CORPORATION, telephone 407/286-6028, was interviewed concerning his knowledge of MICHAEL RICONOSIUTO.

CHASEN advised that he was in charge of the WACKENHUT SERVICES of WACKENHUT CORPORATION. His subordinate was ROBERT FRYE. WACKENHUT SERVICES entered into a joint venture with the CABAZON INDIANS in the early 1980s. CHASEN advised that he has never met RICONOSIUTO but FRYE described him as a genius but a little weird. RICONOSIUTO was also credited with inventing the railgun. CHASEN looked up the specifications for the railgun and came to the conclusion that RICONOSIUTO did not invent this. CHASEN advised that he became suspicious of RICONOSIUTO and JOHN NICHOLS and was gratified to learn that the joint venture did not go beyond the planning stages.

Investigation on 1/4/93 at Tinley Park, Illinois File # 74-86438

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by SA CHARLES M. PETERS:kf

Date dictated 1/4/93

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FEDERAL BUREAU OF INVESTIGATION

Date of transcription 12/9/92

Sergeant DAVE BAIRD, RIVERSIDE COUNTY SHERIFFS DEPARTMENT, 65950 Pierson Boulevard, Desert Hot Springs, California, 619/329-2904, was interviewed concerning a firearms demonstration conducted in Indio, California, on September 10, 1981. Also present was Assistant United States Attorney (AUSA) DAVID ROSENBLOOM.

BAIRD advised that in early August, 1981, he was a police sergeant for the INDIO POLICE DEPARTMENT. Chief SAM CROSS mentioned to him that there would be a special assignment in the near future and asked BAIRD about his military background and expertise with automatic weapons. CROSS told BAIRD that he, BAIRD, was going to supervise this assignment. CROSS did not then explain what the assignment was. A few weeks later he was called to a meeting at CROSS' office. Present at the meeting were CROSS, PHIL HAWES, TERRY MILLER, TED FISH, JIM CARNEY, and possibly one or two others. HAWES was the city manager of Indio and the rest of the attendees were members of the INDIO POLICE DEPARTMENT Swat Team. It was explained at this meeting that there was going to be a firearms demonstration at the police range. HAWES was contacted by PETER ZOKOSKY and it was agreed upon that the police department would provide the range and provide security for this demonstration. HAWES further explained that the CABAZON INDIANS and WACKENHUT CORPORATION had entered into a joint venture to produce weapons for resale. HAWES instructed BAIRD to act as a soldier of fortune and to act interested in the products to be demonstrated. HAWES also instructed BAIRD to put together an intelligence report of the demonstration. The purpose for this was to determine if the CABAZON INDIANS were engaged in any illegal activities concerning these automatic weapons. BAIRD asked HAWES if he should contact ATF or the FBI but HAWES told him that he does not know that anything at the demonstration would be illegal.

On the evening of September 10, 1981, BAIRD reported to the range wearing plain clothes. He went to the range with HAWES who drove a city car. BAIRD sat at the front gate and saw eight

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Date dictated 10/6/92

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Continuation of FD-302 of DAVE BAIRD , On 10/6/92 , Page 2

or nine cars come through. BAIRD was unsure if Chief CROSS was present during the demonstration. BAIRD remembers that CROSS did lead a few of the cars to the range but had to return to Indio because of a homicide in that town. BAIRD does not believe CROSS returned to the range.

JIM HUGHES, the security person for the CABAZON INDIANS, laid out the weapons for inspection of the attendees. BAIRD checked the cars in the parking lot of the range. Because he was not supposed to be identified as a police officer, he did not write down the license plate numbers but committed them to memory as best as possible. When he left the range after the demonstration he wrote down these numbers from his memory. BAIRD stated that MIKE RICONOSUITO was present and was watching him.

BAIRD advised that there were a few Hispanic males present and that when HUGHES held up the weapons for inspection, he spoke Spanish to these people. BAIRD believes RICONOSUITO came with HUGHES. This was the first occasion that BAIRD ever noticed RICONOSUITO. BAIRD stated a few days later he had cause to stop RICONOSUITO based on a dispute between RICONOSUITO and some citizens of Indio. When BAIRD effected the stop of RICONOSUITO, RICONOSUITO had a Browning Arms identification card in his possession. BAIRD could not recall seeing any automatic weapons present at the demonstration and stated that if any automatic weapons were present, they were never fired.

After the demonstration BAIRD returned to the police station where he wrote down the license plate numbers and started to open a file concerning the firearms demonstration. CROSS told him that there was no need to open a file but just retain any notes BAIRD had taken. HAWES was also present at the station and told BAIRD that there might be a second demonstration involving a demonstration of rockets. The purpose of these demonstrations were for some generals of a Central American country to inspect weapons available to them.

In 1991, GENE GILBERT, an inspector for the RIVERSIDE COUNTY PROSECUTORS OFFICE, contacted him about this demonstration. GILBERT had been a police officer in Indio during 1981. GILBERT was investigating the murder of FRED ALVEREZ and wanted information concerning this demonstration. BAIRD turned over to GILBERT his entire file relating to this demonstration. BAIRD provided the following names as those present:

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PHIL HAWES
WAYNE REEDER
JIM HUGHES
MIKE RICONOSUITO
JOHN NICHOLS
ART WILMAS
Two Hispanic Generals
A number of unidentified white males

These names were acquired by BAIRD through personal acquaintance and by obtaining the names through the State of California based on license plate numbers.

In April or May, 1992, GILBERT contacted BAIRD again and asked if he recalls EARL BRIAN being present at this demonstration. BAIRD told GILBERT he did not know BRIAN and could not say if he was present. GILBERT showed BAIRD a photocopy of a magazine picture of BRIAN. BAIRD told GILBERT that the general description of one of the unknown males at the demonstration was similar to the general description of the man in the photo, that being a white male.

